

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Pioneer Homes (2671)
RDU: Alaska Pioneer Homes (503)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
FY2009 Supplementals - Gov												
Projected Receipt Supported Services Surplus												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		-740.0										
1156 Rcpt Svcs		740.0										
The Pioneer Homes are projecting an over-collection of Receipt Supported Services (RSS) revenue based on the current overall resident population paying higher rates based on their financial situation. As residents are admitted based on their place on the "wait list," not on their ability to pay, we cannot carry this assumption into future years but must reassess annually. At this time, the Pioneer Homes request additional authority to receive and expend the additional RSS revenue and are able to take a general fund reduction while remaining at the same overall authorization level.												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Behavioral Health Medicaid Services (2660)
RDU: Behavioral Health (483)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Adjust Authorization to Reflect Current Medicaid Trends												
	Suppl	-16,200.0	0.0	0.0	0.0	0.0	0.0	-16,200.0	0.0	0	0	0
1002 Fed Rcpts		-8,100.0										
1003 G/F Match		-8,100.0										
This decrement adjusts federal and general fund authorization to reflect current Medicaid trends.												
The long-term trend indicates annual increases in costs driven by inflation and population changes. Short-term projections are influenced mainly by enrollment and utilization of services. The change over a long period is generally smoother and more gradual than the fluctuations experienced in the short term. Recently, the department has been successful in avoiding some costs and in containing growth rates (e.g., pharmacy services, personal care). The result is that authorization is briefly ahead of the current trend.												
FMAP Increase of 6.2% and 1.95% Hold Harmless Provision												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		-7,525.3										
1212 Federal ES		7,525.3										
Funds available due to the federal economic stimulus package.												
Component Totals		-16,200.0	0.0	0.0	0.0	0.0	0.0	-16,200.0	0.0	0	0	0

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Children's Medicaid Services (2661)
RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
FMAP Increase of 6.2% and 1.95% Hold Harmless Provision												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		-460.3										
1212 Federal ES		460.3										
Funds available due to the federal economic stimulus package.												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Children's Services Management (2666)
RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Loss of School Based Administrative Claims Interagency Receipts												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		165.0										
1007 I/A Rcpts		-165.0										
<p>This supplemental appropriation is needed to replace lost federal revenues from the Medicaid School Based Administration claim (MSBA). Revenues from the quarterly MSBA claim support administrative activities in the school districts and the department. The total MSBA claim is normally from \$6.5 million to \$8 million in federal revenues. The Children's Services Management component is budgeted to receive \$165.0.</p> <p>The department will not make an MSBA claim in FY2009 but plans to continue the program in FY2010. Therefore, there will not be any federal revenue in FY2009.</p> <p>In August 2008, and before the first MSBA claim of FY2009, the federal Medicaid agency, Centers for Medicare and Medicaid Services (CMS), conducted a comprehensive financial review of Alaska's MSBA program. The preliminary findings released in December indicate that the department did not adequately follow the approved claiming plan. CMS deferred the revenue from the last two surveys. Until the program is brought into compliance CMS will not honor the claim.</p> <p>The future of the MSBA program nationally is uncertain. CMS adopted regulations to end the program in 2008 but Congress imposed a moratorium which prevents implementation until September 30, 2009. The state MSBA coordinator resigned in September 2008. Delays prevented the department from conducting the Fall survey. Because of the concerns raised in the financial reviews and the time needed to make changes the department was not able to proceed with the Winter survey. The department decided not to conduct the one remaining Spring survey and instead use the time developing new procedures according to the approved plan so we will be ready to move forward if the federal regulation is withdrawn.</p> <p>How MSBA claim is determined: There are three survey periods per fiscal year (no survey for the summer when school is out). A random moment time study determines the allowable amount of qualified administration time in each participating school district. The share of qualified time claimable as Medicaid is based on the Medicaid-eligible population. The result is applied to the school district's cost pool to determine the MSBA claim amount. The claim is eligible for 50% federal reimbursement. The school districts provide the state matching funds through an interagency agreement.</p> <p>How the revenue is distributed: The survey maintenance costs are deducted from the federal revenue. The remainder is split between the department and the 44 participating school districts. The department's share is distributed to various divisions via RSA to support administrative activities.</p>												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Front Line Social Workers (2305)
RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Loss of School Based Administrative Claims Interagency Receipts												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		955.3										
1007 I/A Rcpts		-955.3										
<p>This supplemental appropriation is needed to replace lost federal revenues from the Medicaid School Based Administration claim (MSBA). Revenues from the quarterly MSBA claim support administrative activities in the school districts and the department. The total MSBA claim is normally from \$6.5 million to \$8 million in federal revenues. The Front Line Social Workers component is budgeted to receive \$955.3.</p> <p>The department will not make an MSBA claim in FY2009 but plans to continue the program in FY2010. Therefore, there will not be any federal revenue in FY2009.</p> <p>In August 2008, and before the first MSBA claim of FY2009, the federal Medicaid agency, Centers for Medicare and Medicaid Services (CMS), conducted a comprehensive financial review of Alaska's MSBA program. The preliminary findings released in December indicate that the department did not adequately follow the approved claiming plan. CMS deferred the revenue from the last two surveys. Until the program is brought into compliance CMS will not honor the claim.</p> <p>The future of the MSBA program nationally is uncertain. CMS adopted regulations to end the program in 2008 but Congress imposed a moratorium which prevents implementation until September 30, 2009. The state MSBA coordinator resigned in September 2008. Delays prevented the department from conducting the Fall survey. Because of the concerns raised in the financial reviews and the time needed to make changes the department was not able to proceed with the Winter survey. The department decided not to conduct the one remaining Spring survey and instead use the time developing new procedures according to the approved plan so we will be ready to move forward if the federal regulation is withdrawn.</p> <p>How MSBA claim is determined: There are three survey periods per fiscal year (no survey for the summer when school is out). A random moment time study determines the allowable amount of qualified administration time in each participating school district. The share of qualified time claimable as Medicaid is based on the Medicaid-eligible population. The result is applied to the school district's cost pool to determine the MSBA claim amount. The claim is eligible for 50% federal reimbursement. The school districts provide the state matching funds through an interagency agreement.</p> <p>How the revenue is distributed: The survey maintenance costs are deducted from the federal revenue. The remainder is split between the department and the 44 participating school districts. The department's share is distributed to various divisions via RSA to support administrative activities.</p>												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Foster Care Base Rate (2236)
RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Enhanced FMAP for Foster Care and Adoption Assistance (Title IV-E)												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		-767.7										
1212 Federal ES		767.7										
Total Funds: DHSS estimate of funding - FY2009 \$767.7 federal operating, FY2010 \$1,023.6 federal operating included in FY2010 Governor's Amended budget												
Purpose: To provide fiscal relief to states and ensure continued functionality of the program												
Timing Issues: Increased FMAP available 10/01/2008 - 12/31/2010												
Other Restrictions: Contingent upon maintenance of Medicaid eligibility standards, no creation of rainy day fund, meeting Medicaid prompt payment requirements, and reporting on the use of the additional federal funds by 9/30/2011												
Recipients: DHSS, Office of Children's Services												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Foster Care Special Need (2238)
RDU: Children's Services (486)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Miscellaneous Claim: FY2007 Medical Expenses not Eligible for Medicaid												
	Suppl	217.6	0.0	0.0	0.0	0.0	0.0	217.6	0.0	0	0	0
1004 Gen Fund		217.6										
This request for \$217,603.41 is for payment of expenditures incurred for services provided beginning in FY2006, crossing over into FY2007, and is related to the care and subsequent placement difficulties related to a severely disabled child in the custody of the state. The child was hospitalized at Providence Medical Center on June 26, 2006 for an emergency surgical procedure. Medicaid covered the costs of the procedure and recovery through July 24, 2006, when the child was decertified because he/she no longer met the criteria for medical hospitalization. The Office of Children's Services worker assigned to the case could not find a foster home suitable to handle the child's needs until September 26, 2006 when the child was finally placed in a group home. It was on August 25, 2008, when Providence phoned the OCS Juneau office, that we became aware of this unpaid bill.												
Component Totals		217.6	0.0	0.0	0.0	0.0	0.0	217.6	0.0	0	0	0

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Adult Preventative Dental Medicaid Svcs (2839)
RDU: Adult Preventative Dental Medicaid Svcs (541)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
FMAP Increase of 6.2% and 1.95% Hold Harmless Provision												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		-377.0										
1212 Federal ES		377.0										
Funds available due to the federal economic stimulus package.												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Medicaid Services (2077)
RDU: Health Care Services (485)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Public Health Nursing RSA and Medicaid Claim Reduced												
	Suppl	-2,000.0	0.0	0.0	-2,000.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		-2,000.0										
<p>The Medicaid claim generated by Public Health Nursing's RSA may have been overstated because the approved Public Assistance Cost Allocation Plan (PACAP) methodology wasn't followed. The claim is based on a random moment time study of Field Nurses. The cost allocation methodology has two stages: time spent on Medicaid allowable activities and proportion of Medicaid eligible population or MER. The cost allocation may have only used the first stage and ignored the second (MER). If so, then the claim may be overstated by about 75%.</p> <p>Since Medicaid Services will be paying a reduced amount on this RSA, general funds are being reduced.</p>												
Federal Medicaid Rates Increase 21% for Physician Services												
	Suppl	12,000.0	0.0	0.0	0.0	0.0	0.0	12,000.0	0.0	0	0	0
1002 Fed Rcpts		6,000.0										
1003 G/F Match		6,000.0										
<p>This increment provides funding for a 21% increase in the federal reimbursement rates for Medicaid physician services.</p> <p>Both Medicare and Medicaid use the resource-based relative value scale (RBRVS) formula to determine reimbursement rates for procedures billed by primary care physicians. The formula includes relative value units (RVUs) and geographic cost payment indexes (GCPI) that adjust for the cost of work, operating costs, and insurance/malpractice costs for each procedure. The Centers for Medicare and Medicaid Services (CMS) sets the RVU, GCPI, and state conversion factors. Alaska Medicaid reimbursement is determined using the Medicare RVUs and GCPIs plus a conversion factor established in Alaska regulation (7 AAC 43.108).</p> <p>CMS changed the GPCI's significantly this year, resulting in a much larger increase than normal. Many of the code reimbursements are going up as much as 20-30% versus the usual 4-5%. The ten most frequently utilized procedures are increasing 27%. The weighted average rate increase for all procedures is 21%.</p> <p>The department analyzed the utilization of nearly 3,000 medical procedure codes to determine the estimated cost impact. The department estimates the rate change will increase the cost to Medicaid by \$24 million for a full year. The new rates will take effect January 2009; therefore, half of the full-year cost, or \$12 million, is needed for FY2009.</p>												
PERM Audits												
	Suppl	500.0	0.0	0.0	0.0	0.0	0.0	500.0	0.0	0	0	0
1003 G/F Match		450.0										
1108 Stat Desig		50.0										

Payment Error Rate Measurement (PERM) is a new, ongoing federal audit program for Medicaid. FY2009 is Alaska's first year for PERM. If the PERM audits find that providers have been overpaid, the federal funds must be reimbursed to CMS within 60 days. The timing of the PERM audit cycle means that it is likely we will get the findings in April or May and have to report them in the quarter ending June 2009. Like other Medicaid overpayments, CMS gets fully reimbursed immediately and it is left to the state to try to collect what it can. Based on our experience with other audits, collections in the form of SDPR have typically been less than 10% of the overpayment.

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Medicaid Services (2077)
RDU: Health Care Services (485)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Because we have no experience with the PERM audit yet, estimates of potential overpayments are difficult to make. It could be \$5 million or \$500.0. Our best estimate at this time is \$500.0 for all Medicaid direct service components.												
Federal Medicaid Rates Increase 21% for Physician Services - Reqeust Withdrawn												
	Suppl	-12,000.0	0.0	0.0	0.0	0.0	0.0	-12,000.0	0.0	0	0	0
1002 Fed Rcpts		-6,000.0										
1003 G/F Match		-6,000.0										
This request was withdrawn by the department after an updated projection reflected the FY09 appropriation is sufficient to cover these costs. The following description appeared on the original supplemental request:												
This increment provides funding for a 21% increase in the federal reimbursement rates for Medicaid physician services.												
Both Medicare and Medicaid use the resource-based relative value scale (RBRVS) formula to determine reimbursement rates for procedures billed by primary care physicians. The formula includes relative value units (RVUs) and geographic cost payment indexes (GCPI) that adjust for the cost of work, operating costs, and insurance/malpractice costs for each procedure. The Centers for Medicare and Medicaid Services (CMS) sets the RVU, GCPI, and state conversion factors. Alaska Medicaid reimbursement is determined using the Medicare RVUs and GCPIs plus a conversion factor established in Alaska regulation (7 AAC 43.108).												
CMS changed the GCPI's significantly this year, resulting in a much larger increase than normal. Many of the code reimbursements are going up as much as 20-30% versus the usual 4-5%. The ten most frequently utilized procedures are increasing 27%. The weighted average rate increase for all procedures is 21%.												
The department analyzed the utilization of nearly 3,000 medical procedure codes to determine the estimated cost impact. The department estimates the rate change will increase the cost to Medicaid by \$24 million for a full year. The new rates will take effect January 2009; therefore, half of the full-year cost, or \$12 million, is needed for FY2009.												
FMAP Increase of 6.2% and 1.95% Hold Harmless Provision												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		-25,126.0										
1212 Federal ES		25,126.0										
Funds available due to the federal economic stimulus package.												
Component Totals		-1,500.0	0.0	0.0	-2,000.0	0.0	0.0	500.0	0.0	0	0	0

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Probation Services (2134)
RDU: Juvenile Justice (319)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
FY2009 Court-Ordered Costs												
	Suppl	250.0	0.0	0.0	0.0	0.0	0.0	250.0	0.0	0	0	0
1004 Gen Fund		250.0										
The Department of Health and Social Services, Division of Juvenile Justice, is requesting supplemental funding of \$250.0 in general funds to pay for court-ordered costs. These costs are incurred for guard hires for escorts, travel for juveniles that are not Medicaid-eligible, psychiatric evaluations that are not Medicaid-eligible, and other miscellaneous court-ordered costs. Recipients of the funds are youths either in division custody or under court order to receive specified services.												
This is not an unanticipated need; however, the direction from the legislature has been to request these funds each year in the supplemental bill similar to Department of Law's Judgments and Claims process.												
Miscellaneous Claim: Probation Services												
	Suppl	0.3	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0	0	0
1004 Gen Fund		0.3										
This miscellaneous claim is for an FY2006 invoice that was not received by the Division of Juvenile Justice until June 2008. This invoice was billed by the Bristol Bay Area Health Corporation for an intake assessment for a Division of Juvenile Justice client. The invoice amount is \$298.75. Per a phone conversation to the vendor on 12/8/2008, the invoice is still unpaid.												
Component Totals		250.3	0.0	0.0	0.0	0.0	0.0	250.3	0.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Energy Assistance Program (226)
RDU: Public Assistance (73)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Federal Authority for Federal Allotment from Low Income Home Energy Assistance Program												
	Suppl	9,900.0	0.0	0.0	0.0	0.0	0.0	9,900.0	0.0	0	0	0
1002 Fed Rcpts		9,900.0										
In the federal Fiscal Year 2009 allocation of Low Income Home Energy Assistance Program (LIHEAP) funds, the State of Alaska was awarded \$23,568,461. With \$7,235,517 of this allocation being for the Tribal Set-Aside, the net allocation for the state's LIHEAP block grant is \$16,332,944. In addition to this amount, the State of Alaska received LIHEAP Emergency Contingency Funds in the amount of \$7,359,326. The tribes received \$2,259,312 of these emergency contingency funds and the state's share was \$5,100,014. With the emergency contingency funds, the total LIHEAP available for the State of Alaska's LIHEAP Program is \$21,432,958.												
An additional \$788,900 LIHEAP contingency funding is anticipated to be distributed to the state at the end of state Fiscal Year 2009.												
The Energy Assistance Program component currently has \$12,321,900 in federal authority to receive these funds and needs an additional \$9.9 million in federal authority to receive the full anticipated allocation for LIHEAP.												
Component Totals		9,900.0	0.0	0.0	0.0	0.0	0.0	9,900.0	0.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Nursing (288)
RDU: Public Health (502)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Public Health Nursing RSA and Medicaid Claim Reduced												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		4,000.0										
1007 I/A Rcpts		-4,000.0										
The Medicaid claim generated by Public Health Nursing's RSA was overstated because the approved Public Assistance Cost Allocation Plan (PACAP) methodology wasn't followed. The claim is based on a random moment time study of Field Nurses. The cost allocation methodology has two stages: time spent on Medicaid allowable activities and proportion of Medicaid eligible population or MER. The cost allocation only used the first stage and inconsistently applied the second (MER), which overstated the claim. The cost allocation has been corrected to prevent future overclaiming.												
The amount budgeted for the RSA was overstated, and consequently DPH has budgeted too much Interagency Receipt authority. Therefore, the Nursing component needs to replace the uncollectible funds with general funds.												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Women, Children and Family Health (2788)
RDU: Public Health (502)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Loss of School Based Administrative Claims Interagency Receipts												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		347.8										
1007 I/A Rcpts		-347.8										
<p>This supplemental appropriation is needed to replace lost federal revenues from the Medicaid School Based Administration claim (MSBA). Revenues from the quarterly MSBA claim support administrative activities in the school districts and the department. The total MSBA claim is normally from \$6.5 million to \$8 million in federal revenues. The Women, Children and Family Health component is budgeted to receive \$347.8.</p> <p>The department will not make an MSBA claim in FY2009 but plans to continue the program in FY2010. Therefore, there will not be any federal revenue in FY2009.</p> <p>In August 2008, and before the first MSBA claim of FY2009, the federal Medicaid agency, Centers for Medicare and Medicaid Services (CMS), conducted a comprehensive financial review of Alaska's MSBA program. The preliminary findings released in December indicate that the department did not adequately follow the approved claiming plan. CMS deferred the revenue from the last two surveys. Until the program is brought into compliance CMS will not honor the claim.</p> <p>The future of the MSBA program nationally is uncertain. CMS adopted regulations to end the program in 2008 but Congress imposed a moratorium which prevents implementation until September 30, 2009. The state MSBA coordinator resigned in September 2008. Delays prevented the department from conducting the Fall survey. Because of the concerns raised in the financial reviews and the time needed to make changes the department was not able to proceed with the Winter survey. The department decided not to conduct the one remaining Spring survey and instead use the time developing new procedures according to the approved plan so we will be ready to move forward if the federal regulation is withdrawn.</p> <p>How MSBA claim is determined: There are three survey periods per fiscal year (no survey for the summer when school is out). A random moment time study determines the allowable amount of qualified administration time in each participating school district. The share of qualified time claimable as Medicaid is based on the Medicaid-eligible population. The result is applied to the school district's cost pool to determine the MSBA claim amount. The claim is eligible for 50% federal reimbursement. The school districts provide the state matching funds through an interagency agreement.</p> <p>How the revenue is distributed: The survey maintenance costs are deducted from the federal revenue. The remainder is split between the department and the 44 participating school districts. The department's share is distributed to various divisions via RSA to support administrative activities.</p>												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Senior and Disabilities Medicaid Services (2662)
RDU: Senior and Disabilities Services (487)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Adjust Authorization to Reflect Current Medicaid Trends												
	Suppl	-10,800.0	0.0	0.0	0.0	0.0	0.0	-10,800.0	0.0	0	0	0
1002 Fed Rcpts		-5,400.0										
1003 G/F Match		-5,400.0										
This decrement adjusts federal and general fund authorization to reflect current Medicaid trends.												
The long-term trend indicates annual increases in costs driven by inflation and population changes. Short-term projections are influenced mainly by enrollment and utilization of services. The change over a long period is generally smoother and more gradual than the fluctuations experienced in the short term. Recently, the department has been successful in avoiding some costs and in containing growth rates (e.g., pharmacy services, personal care). The result is that authorization is briefly ahead of the current trend.												
FMAP Increase of 6.2% and 1.95% Hold Harmless Provision												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1003 G/F Match		-19,711.4										
1212 Federal ES		19,711.4										
Funds available due to the federal economic stimulus package.												
Component Totals		-10,800.0	0.0	0.0	0.0	0.0	0.0	-10,800.0	0.0	0	0	0

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Unallocated Reduction (2301)
RDU: Departmental Support Services (106)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
FY2009 Savings Target Unallocated Reduction												
1004 Gen Fund	Unalloc	-4,760.0	0.0	0.0	0.0	0.0	0.0	0.0	-4,760.0	0	0	0
As part of a continuing effort to control costs, the Governor assigned a statewide savings target of \$20 million to state agencies when she signed the FY2009 operating budget into law. Departments have implemented savings plans and this unallocated reduction will allow the commissioner to apply the reduction to the specific component in which the savings will be achieved.												
Component Totals		-4,760.0	0.0	0.0	0.0	0.0	0.0	0.0	-4,760.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Commissioner's Office (317)
RDU: Departmental Support Services (106)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Mary Conrad Center												
1004 Gen Fund	Suppl	500.0	0.0	0.0	500.0	0.0	0.0	0.0	0.0	0	0	0
The Department suspended the license and assumed management responsibility for the Rain Dance facility (formerly known as the Mary Conrad Center) on December 18th, 2008 as a result of serious operational deficiencies identified by certification and licensing staff, posing an immediate threat to the health and well-being of residents in the facility. The facility remains under state management. A plan of correction required by the federal Centers for Medicare and Medicaid Services (CMS) has been developed to address the identified deficiencies, and implementation of that plan is being directed by state staff working with a nursing consulting firm.												
As part of the state takeover, it has been necessary to contract with a security firm to assure that only authorized personnel have access to the facility and facility records. In addition, the state has contracted with a nursing consultant group to provide assistance in the development and implementation of the required plan of correction. It is anticipated that there may be additional management expenses identified as a result of the continued state operations. The owners of the Rain Dance facility are currently trying to negotiate a sale of the facility and operations.												
Component Totals		500.0	0.0	0.0	500.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Administrative Support Services (320)
RDU: Departmental Support Services (106)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
Public Health Nursing RSA and Medicaid Claim Reduced												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		-800.0										
1004 Gen Fund		800.0										

The Medicaid claim generated by Public Health Nursing's RSA was overstated because the approved Public Assistance Cost Allocation Plan (PACAP) methodology wasn't followed. The claim is based on a random moment time study of Field Nurses. The cost allocation methodology has two stages: time spent on Medicaid allowable activities and proportion of Medicaid eligible population or MER. The cost allocation only used the first stage and inconsistently applied the second (MER), which overstated the claim. The cost allocation has been corrected to prevent future overclaiming.

The cost allocation methodology is applied to Public Health Nursing's department-wide indirect costs. The amount budgeted for the indirect was overstated, and consequently Administrative Support Services will have a shortfall in federal revenues. Therefore, the Administrative Support Services component needs to replace the uncollectible federal with general funds.

Loss of School Based Administrative Claim Interagency Receipts

	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		431.5										
1007 I/A Rcpts		-431.5										

This supplemental appropriation is needed to replace lost federal revenues from the Medicaid School Based Administration claim (MSBA). Revenues from the quarterly MSBA claim support administrative activities in the school districts and the department. The total MSBA claim is normally from \$6.5 million to \$8 million in federal revenues. The Administrative Support Services component is budgeted to receive \$431.5.

The department will not make an MSBA claim in FY2009 but plans to continue the program in FY2010. Therefore, there will not be any federal revenue in FY2009.

In August 2008, and before the first MSBA claim of FY2009, the federal Medicaid agency, Centers for Medicare and Medicaid Services (CMS), conducted a comprehensive financial review of Alaska's MSBA program. The preliminary findings released in December indicate that the department did not adequately follow the approved claiming plan. CMS deferred the revenue from the last two surveys. Until the program is brought into compliance CMS will not honor the claim.

The future of the MSBA program nationally is uncertain. CMS adopted regulations to end the program in 2008 but Congress imposed a moratorium which prevents implementation until September 30, 2009. The state MSBA coordinator resigned in September 2008. Delays prevented the department from conducting the Fall survey. Because of the concerns raised in the financial reviews and the time needed to make changes the department was not able to proceed with the Winter survey. The department decided not to conduct the one remaining Spring survey and instead use the time developing new procedures according to the approved plan so we will be ready to move forward if the federal regulation is withdrawn.

How MSBA claim is determined: There are three survey periods per fiscal year (no survey for the summer when school is out). A random moment time study determines the allowable amount of qualified administration time in each participating school district. The share of qualified time claimable as Medicaid is based on the Medicaid-eligible population. The result is applied to the school district's cost pool to determine the MSBA claim amount. The claim is eligible for 50% federal reimbursement. The school districts provide the state matching funds through an interagency agreement.

Change Record Detail With Description
Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Administrative Support Services (320)
RDU: Departmental Support Services (106)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
How the revenue is distributed: The survey maintenance costs are deducted from the federal revenue. The remainder is split between the department and the 44 participating school districts. The department's share is distributed to various divisions via RSA to support administrative activities.												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Change Record Detail With Description

Department of Health and Social Services

Scenario: FY2009 Supplementals - Gov (7274)
Component: Information Technology Services (2754)
RDU: Departmental Support Services (106)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	Positions PPT	NP
Loss of School Based Administrative Claim Interagency Receipts												
	Suppl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		216.5										
1007 I/A Rcpts		-216.5										
<p>This supplemental appropriation is needed to replace lost federal revenues from the Medicaid School Based Administration claim (MSBA). Revenues from the quarterly MSBA claim support administrative activities in the school districts and the department. The total MSBA claim is normally from \$6.5 million to \$8 million in federal revenues. The Information Technology Services component is budgeted to receive \$216.5.</p> <p>The department will not make an MSBA claim in FY2009 but plans to continue the program in FY2010. Therefore, there will not be any federal revenue in FY2009.</p> <p>In August 2008, and before the first MSBA claim of FY2009, the federal Medicaid agency, Centers for Medicare and Medicaid Services (CMS), conducted a comprehensive financial review of Alaska's MSBA program. The preliminary findings released in December indicate that the department did not adequately follow the approved claiming plan. CMS deferred the revenue from the last two surveys. Until the program is brought into compliance CMS will not honor the claim.</p> <p>The future of the MSBA program nationally is uncertain. CMS adopted regulations to end the program in 2008 but Congress imposed a moratorium which prevents implementation until September 30, 2009. The state MSBA coordinator resigned in September 2008. Delays prevented the department from conducting the Fall survey. Because of the concerns raised in the financial reviews and the time needed to make changes the department was not able to proceed with the Winter survey. The department decided not to conduct the one remaining Spring survey and instead use the time developing new procedures according to the approved plan so we will be ready to move forward if the federal regulation is withdrawn.</p> <p>How MSBA claim is determined: There are three survey periods per fiscal year (no survey for the summer when school is out). A random moment time study determines the allowable amount of qualified administration time in each participating school district. The share of qualified time claimable as Medicaid is based on the Medicaid-eligible population. The result is applied to the school district's cost pool to determine the MSBA claim amount. The claim is eligible for 50% federal reimbursement. The school districts provide the state matching funds through an interagency agreement.</p> <p>How the revenue is distributed: The survey maintenance costs are deducted from the federal revenue. The remainder is split between the department and the 44 participating school districts. The department's share is distributed to various divisions via RSA to support administrative activities.</p>												
Component Totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0